

RESOLUTION NO. 5054

A RESOLUTION APPROVING A MULTIPLE-UNIT PROPERTY TAX EXEMPTION FOR RESIDENTIAL PROPERTY LOCATED AT 877 EAST PARK STREET, EUGENE, OREGON (858 PEARL ST., LLC/APPLICANT).

The City Council of the City of Eugene finds that:

A. 858 Pearl St., LLC is the owner of real property located at 877 East Park Street, Eugene, Oregon, more particularly described in Exhibit A attached to this Resolution, and has submitted an application pursuant to the City's Multiple-Unit Property Tax Exemption Program (Sections 2.945 and 2.947 of the Eugene Code, 1971), with respect to the rehabilitation of the existing building to include residential units.

B. The project, known as Park Place Apartments, consists of the development of ten studio units; ten one-bedroom units; and four two-bedroom units, for a total of 24 residential units.

C. The project is located within the boundaries of the downtown area as described in subsection (2) of Section 2.945 of the Eugene Code, 1971.

D. The project could not financially be built "but for" the tax exemption.

E. The applicant solicited comments from city-recognized affected neighborhood associations.

F. The requirements in the Standards and Guidelines for Multiple-Unit Housing Property Tax Exemptions adopted by Administrative Order Nos. 53-09-01-F and 53-11-05 related to proximity to historic resources have been satisfied.

G. The applicant has complied with the provisions of the Standards and Guidelines as described in the Report and Recommendation attached as Exhibit B to this Resolution which was prepared by the Executive Director of the Planning and Development Department ("the Executive Director") as designee of the City Manager.

H. The project will be completed on or before January 1, 2022, and the owner has agreed to include in the construction one or more public benefits.

I. The proposed project will be at the time of completion, in conformance with all local plans and planning regulations, including special or district-wide plans developed and adopted pursuant to ORS chapters 195, 196, 197, 215 and 227, that are applicable at the time the application is approved.

J. The project is not designed for, and will not be used as transient accommodations.

K. Granting the application is in the public interest. In making this determination, the City Council has considered the number of points awarded to the project based on the public benefit scoring system contained in the Standards and Guidelines.

L. The Report and Recommendation attached as Exhibit B recommends that the application be approved and the exemption granted. In making that recommendation, the Executive Director found that the applicant submitted all required materials, documents and fees as set forth in Section 2.945 of the Eugene Code, 1971, and the Standards and Guidelines, and the applicant is in compliance with the policies contained therein.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based upon the above findings which are adopted, and the City Council's review of the Executive Director's Report and Recommendation which is attached as Exhibit B, the City Council approves the application of 858 Pearl St., LLC for an ad valorem property tax exemption under the City's Multiple-Unit Property Tax Exemption Program for the rehabilitation of the existing building located at 877 East Park Street, Eugene, Oregon, more particularly described in Exhibit A, to include residential units, subject to the following conditions:

1. The project shall consist of the development of ten studio units; ten one-bedroom units; and four two-bedroom units, for a total of 24 residential units.
2. The project shall be completed on or before January 1, 2022.
3. The project shall be in conformance with all local plans and planning regulations, including special or district-wide plans developed and adopted pursuant to ORS Chapters 195, 196, 197, 215 and 227.

Section 2. The residential units to be constructed on the property described in Section 1 above (100% of the increase in value of the building) is declared exempt from local ad valorem property taxation beginning July 1 of the year following issuance of a Certificate of Occupancy and continuing for a continuous period of ten years unless earlier terminated in accordance with the provisions of Section 2.947 of the Eugene Code, 1971.

Section 3. The City Manager, or the Manager's designee, is requested to forward a copy of this Resolution to the applicant within ten days, and to cause a copy of this Resolution to be filed with the Lane County Assessor on or before April 1, 2012.

Section 4. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted and effective the 23rd day of January, 2012.



City Recorder

Resolution Exhibit A – Property Legal Description

Real property in the County of Lane, State of Oregon, described as follows:

BEGINNING AT THE NORTHEAST CORNER OF LOT 5, IN BLOCK 12 OF MULLIGAN'S DONATION TO LANE COUNTY, AS PLATTED AND RECORDED IN BOOK A, PAGE 122, LANE COUNTY OREGON PLAT RECORDS, IN LANE COUNTY, OREGON, AND RUNNING THENCE SOUTH 40 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF THE NORTH HALF OF SAID LOT, THENCE WEST 114 FEET, MORE OR LESS, THROUGH THE CENTER OF SAID LOT, TO THE PRESENT LINE OF PARK STREET, THENCE NORTH 40 FEET, MORE OR LESS, TO A POINT DUE WEST OF THE BEGINNING POINT, AND THENCE EAST 114 FEET TO THE PLACE OF BEGINNING, IN EUGENE, LANE COUNTY, OREGON.

NOTE: This legal description was created prior to January 01, 2008.

Tax Parcel Number: 0262491

**REPORT AND RECOMMENDATION
of the Planning & Development Department**

Park Place Apartments Application for Multiple-Unit Property Tax Exemption

The Executive Director of the Planning & Development Department of the City of Eugene Finds that:

1. 858 Pearl St., LLC is the owner of real property located at 877 East Park Street, Eugene, Oregon (Assessor's Map 17-03-31-14; Tax Lot 02700). 858 Pearl St., LLC submitted an application pursuant to the City's Multiple-Unit Property Tax Exemption Program (Sections 2.945 and 2.947 of the Eugene Code, 1971), with respect to the rehabilitation of the existing building to include residential units.
2. As the City Manager's designee, I have reviewed the application and find that:
 - 2.1 The project will provide ten studio units, ten 1-bedroom units, and four 2-bedroom units for a total of 24 residential units.
 - 2.2 Construction is expected to be complete on or before January 1, 2022.
 - 2.3 The project is located in the downtown area described in subsection (2) of Section 2.945 of the Eugene Code, 1971.
 - 2.4 The applicant has submitted all materials, documents and fees required by the City as set forth in Section 2.945 of the Eugene Code, 1971, and the Standards and Guidelines for Multiple-Unit Housing Property Tax Exemptions adopted by Administrative Order No. 53-09-01-F and 53-11-05.
 - 2.5 The applicant responded to the public benefit criteria as follows:
 - 2.5.1 Public Benefits:
 - Density. The project will be built in the C-3 zone and has no minimum or maximum for residential units. This project exceeds the minimum density by 24 units.
 - Green Building Features. Park Place Apartments will not use LEED or Earth Advantage.
 - Mixed Income. The project will not include housing dedicated to controlled income.
 - Homeownership. No units are designated for home ownership.

- Accessibility. None of the units will be ADA accessible.
- Historic Sensitivity. The project is not immediately adjacent or contiguous to an historic structure.
- Location. The project is located in the Downtown Plan Area.
- Parking. The project is not located in a RPP zone.

2.5.2 Longevity of Public Benefits. All of the public benefits listed above will extend beyond the period of the tax exemption.

2.5.3 Points Awarded. The applicant has been awarded 150 public benefit points.

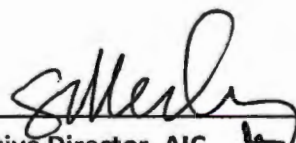
2.6 The applicant demonstrated that the project as proposed could not be built but for the benefit of the tax exemption. City staff and the City's Loan Advisory Committee reviewed the pro-forma and confirmed this conclusion.

2.7 A presentation concerning the Broadway Lofts project was given to the Downtown Neighborhood Association on November 16, 2011. The Association Chair wrote an email indicating support for the project.

3. A display ad soliciting recommendations or comments from the public regarding this project was published in the Register-Guard on December 20, 2011. The period for comment will expire on January 19, 2012. As of the date of this Report and Recommendation, no comments have been received in response to the ad. If comments are submitted on or before January 19, 2012, staff will report that information to Council on January 23.

Therefore, based upon the above findings, the project is, or will be at the time of completion, in conformance with all applicable local plans and provisions of the Eugene Code, 1971, planning regulations, the Metropolitan Area General Plan, and the criteria set forth in the City's adopted Standards and Guidelines, and I recommend that the application be approved.

Dated this 12 day of January, 2012.



Executive Director, AIC
Planning & Development Department